

(ii) The rating in the member's subsequent CRA evaluation is "Needs to Improve;" and

(iii) The member did not receive either a "Substantial Non-Compliance" CRA rating or a "Needs to Improve" CRA rating immediately preceding the CRA rating on which the member's inadequate performance under the CRA standard was based.

(3) FHFA will provide written notice to the member and the member's Bank of its determination under this paragraph (d). FHFA's determination takes effect on the date the notices are sent.

(e) *Community Investment Cash Advance (CICA) Programs.* A member that is subject to a restriction on access to long-term advances under this part is not eligible to participate in a CICA program offered under part 952 of this title and 1291 of this chapter. The restriction in this paragraph (e), does not apply to CICA applications or funding approved before the date the restriction is imposed.

#### **§ 1290.6 Bank community support programs.**

(a) *Requirement.* Consistent with the safe and sound operation of the Bank, each Bank shall establish and maintain a community support program. A Bank's community support program shall:

(1) Provide technical assistance to members;

(2) Promote and expand affordable housing finance;

(3) Identify opportunities for members to expand financial and credit services in underserved neighborhoods and communities;

(4) Encourage members to increase their targeted community lending and affordable housing finance activities by providing incentives such as awards or technical assistance to nonprofit housing developers or community groups with outstanding records of participation in targeted community lending or affordable housing finance partnerships with members; and

(5) Include an annual Targeted Community Lending Plan, approved by the Bank's board of directors and subject to modification, which shall require the Bank to—(i) Conduct market research in the Bank's district;

(ii) Describe how the Bank will address identified credit needs and market opportunities in the Bank's district for targeted community lending;

(iii) Consult with its Advisory Council and with members, housing associates, and public and private economic development organizations in the Bank's district in developing and implementing its Targeted Community Lending Plan; and

(iv) Establish quantitative targeted community lending performance goals.

(b) *Notice.* A Bank shall provide annually to each of its members a written notice:

(1) Identifying CICA programs and other Bank activities that may provide opportunities for a member to meet the community support requirements and to engage in targeted community lending; and

(2) Summarizing targeted community lending and affordable housing activities undertaken by members, housing associates, nonprofit housing developers, community groups, or other entities in the Bank's district, that may provide opportunities for a member to meet the community support requirements and to engage in targeted community lending.

#### **§ 1290.7 Reports.**

Each Advisory Council annual report submitted to FHFA pursuant to section 10(j)(11) of the Bank Act (12 U.S.C. 1430(j)(11)) must include an analysis of the Bank's targeted community lending and affordable housing activities.

### **PART 1291—FEDERAL HOME LOAN BANKS' AFFORDABLE HOUSING PROGRAM**

Sec.

1291.1 Definitions.

1291.2 Required annual AHP contributions; allocation of contributions.

1291.3 AHP Implementation Plan.

1291.4 Advisory Councils.

1291.5 Competitive application program.

1291.6 Homeownership set-aside programs.

1291.7 Monitoring.

1291.8 Remedial actions for noncompliance.

1291.9 Agreements.

1291.10 Conflicts of interest.

1291.11 Temporary suspension of AHP contributions.

1291.12 Affordable Housing Reserve Fund.